

110TH CONGRESS
1ST SESSION

S. 195

To amend the Federal Crop Insurance Act to establish permanent authority for the Secretary of Agriculture to quickly provide disaster relief to agricultural producers that incur crop or livestock losses as a result of damaging weather or related condition in federally declared disaster areas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 8, 2007

Mr. DORGAN (for himself, Mr. CONRAD, Mr. THUNE, and Ms. LANDRIEU) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Federal Crop Insurance Act to establish permanent authority for the Secretary of Agriculture to quickly provide disaster relief to agricultural producers that incur crop or livestock losses as a result of damaging weather or related condition in federally declared disaster areas, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Reliable Farm Safety
5 Net Act”.

1 **SEC. 2. CROP DISASTER ASSISTANCE FOR FUTURE CROP**
 2 **YEARS.**

3 The Federal Crop Insurance Act is amended by in-
 4 serting after section 518 (7 U.S.C. 1518) the following:

5 **“SEC. 519. PERMANENT AUTHORITY TO PROVIDE EMER-**
 6 **GENCY AGRICULTURAL ASSISTANCE.**

7 “(a) DEFINITION OF FEDERALLY DECLARED DIS-
 8 ASTER AREA.—In this section, the term ‘federally declared
 9 disaster area’ means—

10 “(1) a county covered by—

11 “(A) a Presidential declaration of major
 12 disaster issued under section 401 of the Robert
 13 T. Stafford Disaster Relief and Emergency As-
 14 sistance Act (42 U.S.C. 5170); or

15 “(B) a declaration by the Secretary of a
 16 disaster area under subpart A of part 1945 of
 17 title 7, Code of Federal Regulations (or suc-
 18 cessor regulations); and

19 “(2) each county contiguous to a county de-
 20 scribed in paragraph (1).

21 “(b) CROP DISASTER ASSISTANCE.—

22 “(1) AUTHORITY TO PROVIDE EMERGENCY AS-
 23 SISTANCE.—The Secretary shall use the funds of the
 24 Commodity Credit Corporation to make emergency
 25 financial assistance available to producers on a farm
 26 that incur qualifying crop losses for an insurable

1 crop due to damaging weather or related condition,
2 as determined by the Secretary, that results in the
3 designation of the county in which the farm or ranch
4 is located as a federally declared disaster area.

5 “(2) ADMINISTRATION.—Except as provided in
6 paragraphs (3) and (4), the Secretary shall make as-
7 sistance available under this subsection in the same
8 manner as provided under section 815 of the Agri-
9 culture, Rural Development, Food and Drug Admin-
10 istration, and Related Agencies Appropriations Act,
11 2001 (Public Law 106–387; 114 Stat. 1549A–55),
12 including using the same loss thresholds for the
13 quantity and quality losses as were used in admin-
14 istering that section.

15 “(3) PAYMENT RATE.—The Secretary shall
16 make assistance available to producers on a farm for
17 a crop under this subsection at a rate equal to 65
18 percent of the established price for the crop for any
19 deficiency in production of 35 percent or more for
20 the crop.

21 “(4) INELIGIBILITY FOR ASSISTANCE.—

22 “(A) IN GENERAL.—Except as provided in
23 subparagraph (B), the producers on a farm
24 shall not be eligible for assistance under this
25 subsection with respect to losses to an insurable

1 commodity or noninsurable commodity if the
2 producers on the farm—

3 “(i) in the case of an insurable com-
4 modity, did not obtain a policy or plan of
5 insurance for the insurable commodity
6 under this Act for the crop incurring the
7 losses;

8 “(ii) in the case of a noninsurable
9 commodity, did not file the required paper-
10 work, and pay the administrative fee by
11 the applicable State filing deadline, for the
12 noninsurable commodity under section 196
13 of the Federal Agriculture Improvement
14 and Reform Act of 1996 (7 U.S.C. 7333)
15 for the crop incurring the losses;

16 “(iii) had adjusted gross incomes, as
17 defined by section 1001D of the Food Se-
18 curity Act of 1985 (7 U.S.C. 1308–3a), of
19 greater than \$2,500,000 in 2003; or

20 “(iv) were not in compliance with
21 highly erodible land conservation and wet-
22 land conservation provisions.

23 “(B) CONTRACT WAIVER.—The Secretary
24 may waive subparagraph (A) with respect to
25 the producers on a farm if the producers enter

1 into a contract with the Secretary under which
2 the producers agree—

3 “(i) in the case of an insurable com-
4 modity, to obtain a policy or plan of insur-
5 ance under this Act providing additional
6 coverage for the insurable commodity for
7 each of the next 2 crops, at a level of cov-
8 erage equal to or greater than 60 percent;
9 and

10 “(ii) in the case of a noninsurable
11 commodity, to file the required paperwork
12 and pay the administrative fee by the ap-
13 plicable State filing deadline, for the non-
14 insurable commodity for each of the next 2
15 crops under section 196 of the Federal Ag-
16 riculture Improvement and Reform Act of
17 1996 (7 U.S.C. 7333).

18 “(C) EFFECT OF VIOLATION.—In the
19 event of the violation of a contract under sub-
20 paragraph (B) by a producer, the producer
21 shall reimburse the Secretary for the full
22 amount of the assistance provided to the pro-
23 ducer under this subsection.

24 “(c) LIVESTOCK ASSISTANCE PROGRAM.—

1 “(1) EMERGENCY FINANCIAL ASSISTANCE.—

2 The Secretary shall use such sums as are necessary
 3 of funds of the Commodity Credit Corporation to
 4 make and administer payments for livestock losses
 5 of eligible applicants due to a disaster, as deter-
 6 mined by the Secretary.

7 “(2) ELIGIBLE APPLICANTS.—In carrying out
 8 the program described in paragraph (1), the Sec-
 9 retary shall provide assistance to any applicant
 10 that—

11 “(A)(i) conducts a livestock operation that
 12 is located in a federally declared disaster area,
 13 including any applicant conducting a livestock
 14 operation with eligible livestock (within the
 15 meaning of the livestock assistance program
 16 under section 101(b) of division B of Public
 17 Law 108–324 (118 Stat. 1234)); or

18 “(ii) produces an animal described in sec-
 19 tion 10806(a)(1) of the Farm Security and
 20 Rural Investment Act of 2002 (21 U.S.C.
 21 321d(a)(1)); and

22 “(B) meets all other eligibility require-
 23 ments established by the Secretary for the pro-
 24 gram.

1 “(3) ADMINISTRATION.—The Secretary shall
 2 make assistance available under this subsection in
 3 the same manner as provided under section 806 of
 4 the Agriculture, Rural Development, Food and Drug
 5 Administration, and Related Agencies Appropria-
 6 tions Act, 2001 (Public Law 106–387; 114 Stat.
 7 1549A–51).

8 “(4) MITIGATION.—In determining the eligi-
 9 bility for or amount of payments for which a pro-
 10 ducer is eligible under the livestock assistance pro-
 11 gram, the Secretary shall not penalize a producer
 12 that takes actions (recognizing disaster conditions)
 13 that reduce the average number of livestock the pro-
 14 ducer owned for grazing during the production year
 15 for which assistance is being provided.

16 “(d) LIVESTOCK INDEMNITY PROGRAM.—

17 “(1) IN GENERAL.—The Secretary shall use
 18 such sums as are necessary of funds of the Com-
 19 modity Credit Corporation to carry out a livestock
 20 indemnity program for livestock losses of eligible ap-
 21 plicants in federally declared disaster areas, as de-
 22 termined by the Secretary.

23 “(2) ADMINISTRATION.—The Secretary shall
 24 make assistance available under this subsection in
 25 the same manner as provided under section 3012(b)

1 of the Emergency Agricultural Disaster Assistance
2 Act of 2006 (Public Law 109–234; 120 Stat. 476).

3 “(3) LIMITATION ON ASSISTANCE.—A producer
4 may apply for assistance under this subsection or
5 subsection (c), but not both.

6 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
7 is authorized to be appropriated such amounts as are nec-
8 essary to reimburse the Commodity Credit Corporation for
9 funds expended by the Secretary under this section.

10 “(f) EFFECTIVE DATE.—This section applies to the
11 2007 and subsequent crop years.”.

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